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Attorney for Debtors
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5
6 UNITED STATES BANKRUPTCY COURT
DISTRICT OF ARIZONA

7 In Re:)	In Proceedings Under Chapter 13
8 CARLOS BURTON,)	Case No.: 4:10-bk-19913-JMM
9 CARLA L. BURTON,)	
10 Debtors.)	
11 _____)	
12 CARLOS BURTON,)	Adversary Proceeding
13 CARLA L. BURTON,)	Case no.: 4:10-ap-01233-JMM
14 Plaintiffs,)	
15 BAC HOME LOANS,)	COMPLAINT TO DETERMINE
JP MORGAN CHASE BANK,)	EXTENT AND VALIDITY OF
16 Defendants.)	LIENS
17 _____)	

18
19 COME NOW Debtors/Plaintiffs, Carlos Burton and Carla L. Burton, by and through
20 counsel undersigned, and pursuant to *sections 105 and 522 of title 11 of the United States*
21 *Bankruptcy Code (the "Bankruptcy Code") and Rule 7001 of the Federal Rules of Bankruptcy*
22 *Procedure* allege as follows:

23 NATURE OF THE ACTION

24 1. This action is an adversary proceeding brought pursuant to *sections 105 and 522*
25 *of the Bankruptcy Code and Rule 7001 of the Federal Rules of Bankruptcy Procedure* to
26 determine the extent and validity of a second and third lien held by BAC Home Loans and JP
27 Morgan Chase Bank.

28 2. Debtors/Plaintiffs now seek a determination and declaration as to the nature and

1 the extent of Promissory Notes held by BAC Home Loans and JP Morgan Chase Bank and
2 secured by Deeds of Trust on Debtors' Homestead and how such liens should be treated in
3 Debtors' Chapter 13 Plan.

4 JURISDICTION AND VENUE

5 3. This Court has jurisdiction over this proceeding pursuant to *28 U.S.C. sections 157*
6 *and 1334*. This proceeding is a core proceeding pursuant to *28 U.S.C. section 157(b)(2)(A), (I)*
7 *and (O)*.

8 4. Venue in this Court is proper pursuant to *28 U.S.C. sections 1408 and 1409*.

9 THE PARTIES

10 5. Plaintiffs: Debtors, Carlos Burton and Carla L. Burton.

11 6. Defendants: BAC Home Loans and JP Morgan Chase Bank

12 FACTUAL BACKGROUND

13 7. Debtors' Homestead is located at 5164 East Circulo Las Cabanas, Tucson , AZ
14 85711 ("Debtors' Homestead").

15 8. Chase Home Finance is believed to be the current holder of a promissory note in
16 the principal amount of \$223,432.00 and which is secured by a first Deed of Trust against
17 Debtors' Homestead. The lien was recorded in the office of the Pima County Recorder on or
18 about September, 2005.

19 9. BAC Home Loans, as assignee, is believed to be the current holder of a promissory
20 note in the original principal amount of \$72,709.00 and which is secured by a second Deed of
21 Trust against Debtors' Homestead.

22 10. The BAC Home Loans' lien was recorded in the office of the Pima County
23 Recorder on or about September 2007.

24 11. JP Morgan Chase Bank, as assignee, is a current holder of a promissory note in
25 the original principal amount of \$37,807.00, and which is secured by a third Deed of Trust against
26 Debtors' Homestead.

27 12. The JP Morgan Chase Bank's third lien was recorded in the office of the Pima
28 County Recorder in or about July 3, 2007.

13. The JP Morgan Chase Bank third lien is junior and subordinate to both the BAC Home Loans and Chase Home Loans' first and second liens.

14. An appraisal undertaken of Debtors' Homestead in June 2010 reveals that the market value of Debtors' Homestead, at the time of the appraisal, is \$222,000.00. (See attached Appraisal). As a result, the liens with BAC Home Loans and JP Morgan Chase Bank are unsecured.

COUNT 1

LIEN AVOIDANCE

15. Plaintiffs re-allege and incorporate paragraphs 1 through 14, above as if set forth in full herein.

16. BAC Home Loans with its second lien, is a wholly unsecured lien holder.

17. The JP Morgan Chase Bank with it's third lien is a wholly unsecured lien holder.

18. The second and third liens may be avoided.

19. BAC Home Loans and JP Morgan Chase Bank are to be treated as unsecured creditors in Debtors'/Plaintiffs' Chapter 13 case and Chapter 13 Plan.

WHEREFORE, Debtors/Plaintiffs pray for the following relief:

1. For purposes of the Debtor's Chapter 13 plan, only, the second and third liens of BAC Home Loans and JP Morgan Chase Bank should be zero. Lienholders do not have a secured claim and the lien may not be enforced pursuant to *11 U.S.C. §§506, 1322, (b)(2) and 1327*. BAC Home Loans and JP Morgan Chase Bank should be treated as unsecured creditors in the Chapter 13 plan.

2. Upon entry of a discharge in Debtors' Chapter 13 case, the liens shall be voided for all purposes and, upon application by Debtors, the Court will enter an appropriate form of judgment voiding the liens.

3. For such other and further relief as the Court may order.

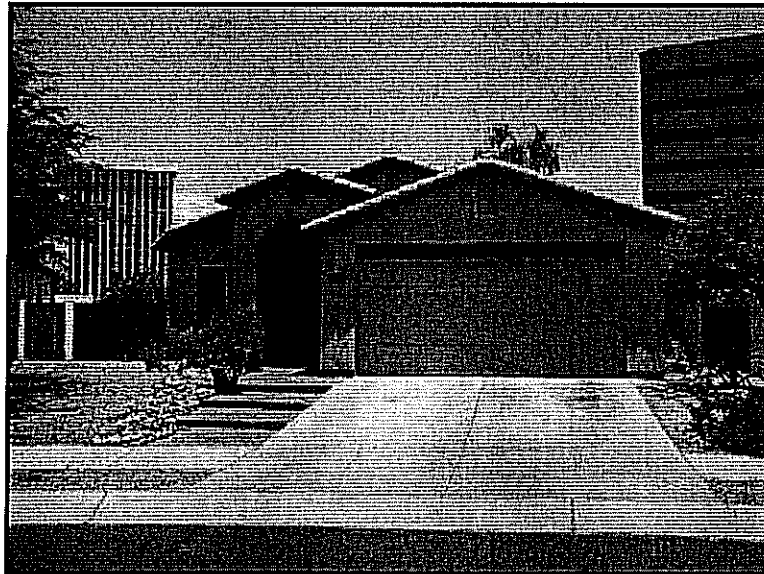
DATED this 7th day of July 2010.

LAW OFFICE OF KATHRYN L. JOHNSON, PLC

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By: /s/ Kathryn L. Johnson
Kathryn L. Johnson
Attorney for Debtors/Plaintiffs

SUMMARY APPRAISAL REPORT



APPRAISAL OF REAL PROPERTY

LOCATED AT:

5164 E CIRCULO LAS CABANAS
WILLIAMS CENTRE BLOCK 24 RESUB LOT 0007
TUCSON, AZ 85711

FOR:

CLIENT: CARLOS L BURTON
5164 E. CIRCULO LAS CABANAS
TUCSON, AZ 85711

AS OF:

JUNE 14, 2010

BY:

WASHINGTON M. MASON, JR
AMAZON APPRAISALS, INC.
1640 E. RIVER ROAD, SUITE #208
TUCSON, AZ 85718

AMAZON APPRAISALS, INC.
1790 E. RIVER ROAD, STE 142
TUCSON, AZ 85718
(520) 529-3878

ATTN: MR. BURTON

CLIENT: CARLOS L BURTON
5164 E. CIRCULO LAS CABANAS
TUCSON, AZ 85711

Re: Property: 5164 E CIRCULO LAS CABANAS
TUCSON, AZ 85711
Borrower: CLIENT: CARLOS L BURTON
File No.: 10MY042

In accordance with your request, we have appraised the above referenced property. The report of that appraisal is attached.

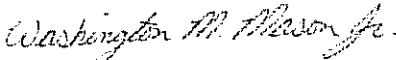
The purpose of this appraisal is to estimate the market value of the property described in this appraisal report, as improved, in unencumbered fee simple title of ownership.

This report is based on a physical analysis of the site and improvements, a locational analysis of the neighborhood and city, and an economic analysis of the market for properties such as the subject. The appraisal was developed and the report was prepared in accordance with the Uniform Standards of Professional Appraisal Practice.

The value conclusions reported are as of the effective date stated in the body of the report and contingent upon the certification and limiting conditions attached.

It has been a pleasure to assist you. Please do not hesitate to contact me or any of my staff if we can be of additional service to you.

Sincerely,



WASHINGTON M. MASON, JR
CERTIFIED RESIDENTIAL REAL
ESTATE APPRAISER #21875

Property Description		UNIFORM RESIDENTIAL APPRAISAL REPORT				File No. 10MY042																																																																																																	
Property Address 5164 E CIRCULO LAS CABANAS		City TUCSON		State AZ		Zip Code 85711																																																																																																	
Legal Description WILLIAMS CENTRE BLOCK 24 RESUB LOT 0007		County PIMA																																																																																																					
Assessor's Parcel No. 128-10-3070		Tax Year 2010		R.E. Taxes \$ 2,402.24		Special Assessments \$ *N/A																																																																																																	
SUBJECT	Borrower CLIENT: CARLOS L BURTON		Current Owner BURTON, CARLOS L		Occupant: <input checked="" type="checkbox"/> Owner <input type="checkbox"/> Tenant <input type="checkbox"/> Vacant																																																																																																		
	Property rights appraised <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold		Project Type <input checked="" type="checkbox"/> PUD <input type="checkbox"/> Condominium (HUD/VA only)		HOA \$ 75.00 /Mo.																																																																																																		
	Neighborhood or Project Name WILLIAM CENTRE		Map Reference T149-R14E-SEC 14		Census Tract 33.01																																																																																																		
Sale Price \$ N/A		Date of Sale N/A		Description and \$ amount of loan charges/concessions to be paid by seller N/A																																																																																																			
Lender/Client CLIENT: CARLOS L BURTON		Address 5164 E. CIRCULO LAS CABANAS, TUCSON, AZ 85711																																																																																																					
Appraiser WASHINGTON M. MASON, JR		Address 1790 E. RIVER ROAD, STE 142, TUCSON, AZ 85718																																																																																																					
NEIGHBORHOOD	Location <input checked="" type="checkbox"/> Urban <input type="checkbox"/> Suburban <input type="checkbox"/> Rural		Predominant occupancy		Single family housing PRICE \$ (000) AGE (yrs)		Present land use %																																																																																																
	Built up <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%		<input checked="" type="checkbox"/> Owner 90		100 Low NEW		One family 80																																																																																																
	Growth rate <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow		<input checked="" type="checkbox"/> Tenant 5		440 High 55+		2-4 family 3																																																																																																
	Property values <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining		<input checked="" type="checkbox"/> Vacant (0-5%)		Predominant		Multi-family 3																																																																																																
	Demand/supply <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In balance <input type="checkbox"/> Over supply		<input type="checkbox"/> Vac. (over 5%)		220 25		Commercial 7																																																																																																
	Marketing time <input type="checkbox"/> Under 3 mos. <input checked="" type="checkbox"/> 3-6 mos. <input type="checkbox"/> Over 6 mos.				VAC LND 7		Land use change																																																																																																
							<input checked="" type="checkbox"/> Not likely <input type="checkbox"/> Likely																																																																																																
							<input type="checkbox"/> In process																																																																																																
							To:																																																																																																
Note: Race and the racial composition of the neighborhood are not appraisal factors. Neighborhood boundaries and characteristics: NORTH- SPEEDWAY BOULEVARD, SOUTH-GOLF LINK ROAD, WEST-SWAN ROAD, EAST- WILMOT ROAD. PRIMARILY RESIDENTIAL AREA. Factors that affect the marketability of the properties in the neighborhood (proximity to employment and amenities, employment stability, appeal to market, etc.): THE SUBJECT IS LOCATED IN THE CENTRAL PORTION OF TUCSON IN AN ESTABLISHED GATED NEIGHBORHOOD. HOMES ARE A MIXTURE OF TOWNHOMES, SINGLE-FAMILY RESIDENCES, MULTI-FAMILY UNITS AND SOME COMMERCIAL PROPERTIES. REGIONAL EMPLOYMENT CENTERS, SCHOOLS, SHOPPING AND OTHER URBAN AMENITIES ARE NEARBY.																																																																																																							
Market conditions in the subject neighborhood (including support for the above conclusions related to the trend of property values, demand/supply, and marketing time -- such as data on competitive properties for sale in the neighborhood, description of the prevalence of sales and financing concessions, etc.): INTEREST RATES REMAIN RELATIVELY LOW. THE RESIDENTIAL REAL ESTATE MARKET IS ACTIVE WITH SUFFICIENT BUYERS AND A SHORTAGE OF SELLERS INTERACTING. TYPICAL FINANCING IN THE SUBJECT'S MARKET AREA INCLUDES CONVENTIONAL LOANS, CASH AND SELLER TERMS. MARKET VALUES HAVE RAPIDLY INCREASED IN TUCSON IN THE PAST YEAR.																																																																																																							
PUD	Project Information for PUDs (if applicable) -- Is the developer/builder in control of the Home Owners' Association (HOA)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No																																																																																																						
	Approximate total number of units in the subject project N/A Approximate total number of units for sale in the subject project N/A																																																																																																						
Describe common elements and recreational facilities: N/A																																																																																																							
SITE	Dimensions SEE ATTACHED PLAT		Corner Lot <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Topography LEVEL																																																																																																		
	Site area 9,717 SQ FT (PER PLAT)				Size TYPICAL																																																																																																		
	Specific zoning classification and description R - 1/SINGLE FAMILY RESIDENTIAL				Shape IRREGULAR																																																																																																		
	Zoning compliance <input checked="" type="checkbox"/> Legal <input type="checkbox"/> Legal nonconforming (Grandfathered use) <input type="checkbox"/> Illegal <input type="checkbox"/> No zoning				Drainage APPEARS ADEQUATE																																																																																																		
	Highest & best use as improved: <input checked="" type="checkbox"/> Present use <input type="checkbox"/> Other use (explain)				View MOUNTAINS																																																																																																		
	Utilities Public <input checked="" type="checkbox"/> Other		Off-site Improvements Type Public Private		Landscaping DESERT/LOW CARE																																																																																																		
	Electricity <input checked="" type="checkbox"/>		Street ASPHALT <input checked="" type="checkbox"/>		Driveway Surface CONCRETE																																																																																																		
	Gas <input checked="" type="checkbox"/>		Curb/gutter CONCRETE <input checked="" type="checkbox"/>		Apparent easements TYPICAL UTILITY																																																																																																		
	Water <input checked="" type="checkbox"/>		Sidewalk CONCRETE <input checked="" type="checkbox"/>		FEMA Special Flood Hazard Area <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No																																																																																																		
	Sanitary sewer <input checked="" type="checkbox"/>		Street lights NONE <input type="checkbox"/>		FEMA Zone X Map Date 02/08/1999																																																																																																		
Storm sewer <input type="checkbox"/>		Alley NONE <input type="checkbox"/>		FEMA Map No. 04019C2234K																																																																																																			
Comments (apparent adverse easements, encroachments, special assessments, slide areas, illegal or legal nonconforming zoning use, etc.): NO APPARENT																																																																																																							
ADVERSE EASEMENTS OR ENCROACHMENTS NOTED. THE SITE IS TYPICAL FOR THE AREA. *ANY ASSESSMENTS TO BE PAID AT CLOSING.																																																																																																							
DESCRIPTION OF IMPROVEMENTS	GENERAL DESCRIPTION		EXTERIOR DESCRIPTION		FOUNDATION		BASEMENT																																																																																																
	No. of Units ONE		Foundation CONCRETE/AVG		Slab CONCRETE		Area Sq. Ft. N/A																																																																																																
	No. of Stories ONE		Exterior Walls FRMSTUCC/AVG		Crawl Space N/A		% Finished N/A																																																																																																
	Type (Det./Att.) DET		Roof Surface TILE/AVG		Basement N/A		Ceiling N/A																																																																																																
	Design (Style) CONTEMP		Gutters & Dwnspnts. OH/AVG		Sump Pump N/A		Walls N/A																																																																																																
	Existing/Proposed EXISTING		Window Type ALUM.OP/AVG		Dampness N/A		Floor N/A																																																																																																
	Age (Yrs.) 10 YRS		Storm/Screens SCREENS/AVG		Settlement N/A		Outside Entry N/A																																																																																																
	Effective Age (Yrs.) 12 YRS		Manufactured House N/A		Infestation N/A		Unknown																																																																																																
	ROOMS		Foyer Living Dining Kitchen Den Family Rm. Rec. Rm. Bedrooms		# Baths Laundry Other		Area Sq. Ft.																																																																																																
	Basement						N/A																																																																																																
Level 1		ENT 1 AREA 1		1		4 2 X 1,854																																																																																																	
Level 2																																																																																																							
Finished area above grade contains: 6 Rooms; 4 Bedroom(s); 2 Bath(s); 1,854 Square Feet of Gross Living Area <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2">INTERIOR</th> <th colspan="2">HEATING</th> <th colspan="2">KITCHEN EQUIP.</th> <th colspan="2">ATTIC</th> <th colspan="2">AMENITIES</th> <th colspan="2">CAR STORAGE</th> </tr> </thead> <tbody> <tr> <td>Floors</td> <td>TLE.WW/AVG</td> <td>Type</td> <td>FWA</td> <td>Refrigerator</td> <td><input checked="" type="checkbox"/> P</td> <td>None</td> <td><input type="checkbox"/></td> <td>Fireplace(s) # ONE</td> <td><input checked="" type="checkbox"/> X</td> <td>None</td> <td><input type="checkbox"/></td> </tr> <tr> <td>Walls</td> <td>DRYWALL/AVG</td> <td>Fuel</td> <td>GAS</td> <td>Range/Oven</td> <td><input checked="" type="checkbox"/> X</td> <td>Stairs</td> <td><input type="checkbox"/></td> <td>Patio COV</td> <td><input checked="" type="checkbox"/> X</td> <td>Garage</td> <td># of cars</td> </tr> <tr> <td>Trim/Finish</td> <td>WOOD/AVG</td> <td>Condition</td> <td>AVG</td> <td>Disposal</td> <td><input checked="" type="checkbox"/> X</td> <td>Drop Stair</td> <td><input type="checkbox"/></td> <td>Deck NONE</td> <td><input type="checkbox"/></td> <td>Attached</td> <td>2 CAR</td> </tr> <tr> <td>Bath Floor</td> <td>TLE/AVG</td> <td>COOLING</td> <td></td> <td>Dishwasher</td> <td><input checked="" type="checkbox"/> X</td> <td>Scuttle</td> <td><input checked="" type="checkbox"/> X</td> <td>Porch COV</td> <td><input checked="" type="checkbox"/> X</td> <td>Detached</td> <td></td> </tr> <tr> <td>Bath Walnscot</td> <td>TLE/AVG</td> <td>Central</td> <td>REF</td> <td>Fan/Hood</td> <td><input checked="" type="checkbox"/> X</td> <td>Floor</td> <td><input type="checkbox"/></td> <td>Fence BLKWL</td> <td><input checked="" type="checkbox"/> X</td> <td>Built-In</td> <td></td> </tr> <tr> <td>Doors</td> <td>H.CORE/AVG</td> <td>Other</td> <td>N/A</td> <td>Microwave</td> <td><input checked="" type="checkbox"/> P</td> <td>Heated</td> <td><input type="checkbox"/></td> <td>Pool N/A</td> <td><input type="checkbox"/></td> <td>Carport</td> <td></td> </tr> <tr> <td></td> <td></td> <td>Condition</td> <td>AVG</td> <td>Washer/Dryer</td> <td><input checked="" type="checkbox"/> P</td> <td>Finished</td> <td><input type="checkbox"/></td> <td>OS FP/BBQ AREA</td> <td><input checked="" type="checkbox"/> X</td> <td>Driveway</td> <td>CONCRETE</td> </tr> </tbody> </table>								INTERIOR		HEATING		KITCHEN EQUIP.		ATTIC		AMENITIES		CAR STORAGE		Floors	TLE.WW/AVG	Type	FWA	Refrigerator	<input checked="" type="checkbox"/> P	None	<input type="checkbox"/>	Fireplace(s) # ONE	<input checked="" type="checkbox"/> X	None	<input type="checkbox"/>	Walls	DRYWALL/AVG	Fuel	GAS	Range/Oven	<input checked="" type="checkbox"/> X	Stairs	<input type="checkbox"/>	Patio COV	<input checked="" type="checkbox"/> X	Garage	# of cars	Trim/Finish	WOOD/AVG	Condition	AVG	Disposal	<input checked="" type="checkbox"/> X	Drop Stair	<input type="checkbox"/>	Deck NONE	<input type="checkbox"/>	Attached	2 CAR	Bath Floor	TLE/AVG	COOLING		Dishwasher	<input checked="" type="checkbox"/> X	Scuttle	<input checked="" type="checkbox"/> X	Porch COV	<input checked="" type="checkbox"/> X	Detached		Bath Walnscot	TLE/AVG	Central	REF	Fan/Hood	<input checked="" type="checkbox"/> X	Floor	<input type="checkbox"/>	Fence BLKWL	<input checked="" type="checkbox"/> X	Built-In		Doors	H.CORE/AVG	Other	N/A	Microwave	<input checked="" type="checkbox"/> P	Heated	<input type="checkbox"/>	Pool N/A	<input type="checkbox"/>	Carport				Condition	AVG	Washer/Dryer	<input checked="" type="checkbox"/> P	Finished	<input type="checkbox"/>	OS FP/BBQ AREA	<input checked="" type="checkbox"/> X	Driveway	CONCRETE
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Additional features (special energy efficient items, etc.): COVERED PORCH, RV GATE, OUTSIDE FIREPLACE, BBQ AREA, CEILING FANS AND A BLOCK WALL.																																																																																																							
COMMENTS	Condition of the improvements, depreciation (physical, functional, and external), repairs needed, quality of construction, remodeling/additions, etc.: THE SUBJECT																																																																																																						
	IS OVERALL IN AVERAGE CONDITION WITH NO EXTERNAL OR FUNCTIONAL OBSOLESCENCE NOTED. THERE ARE NO MAJOR REPAIR ITEMS																																																																																																						
	NOTED THAT WOULD ADVERSELY AFFECT THE MARKETABILITY OF THE SUBJECT PROPERTY.																																																																																																						
Adverse environmental conditions (such as, but not limited to, hazardous wastes, toxic substances, etc.) present in the improvements, on the site, or in the immediate vicinity of the subject property: NO ADVERSE ENVIRONMENTAL CONDITIONS WERE NOTED ON OR AROUND THE SITE AT THE TIME OF INSPECTION. (THE APPRAISER IS NOT QUALIFIED TO DETERMINE ENVIRONMENTAL HAZARDS.)																																																																																																							

Valuation Section

UNIFORM RESIDENTIAL APPRAISAL REPORT

File No. 10MY042

COST APPROACH	ESTIMATED SITE VALUE		= \$ 55,000		Comments on Cost Approach (such as, source of cost estimate, site value, square foot calculation and for HUD, VA and FmHA, the estimated remaining economic life of the property): 1,854 SQUARE FEET OF LIVING AREA. NO EXTERNAL OR FUNCTIONAL OBSOLESCENCE NOTED. THE COST APPROACH WAS DONE WITH THE AID OF THE MARSHALL AND SWIFT RESIDENTIAL COST HANDBOOK. REMAINING ECONOMIC LIFE = 40 YEARS. DEPRECIATION IS BASED ON EFFECTIVE AGE/LIFE METHOD: 20/60 = 30%	
	ESTIMATED REPRODUCTION COST-NEW-OF IMPROVEMENTS:					
	Dwelling 1,854 Sq. Ft. @ \$ 74.86 = \$ 138,790					
	Sq. Ft. @ \$ =					
	WL/STG/LSCP/CV/PAT/CV/OSP/FP/PL/LSCP = 55,000					
	Garage/Carport 420 Sq. Ft. @ \$ 23.63 = 9,925					
	Total Estimated Cost New = \$ 203,715					
	Less Physical Functional External					
	Depreciation 40,743 = \$ 40,743					
	Depreciated Value of Improvements = \$ 162,972					
As-Is Value of Site Improvements = \$ 10,000						
INDICATED VALUE BY COST APPROACH = \$ 227,972						
SALES COMPARISON ANALYSIS	ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3	
	Address	5164 E CIRCULO LAS CABANAS TUCSON	5146 E. CIRCULO LAS CABANAS 128-10-3130	5212 E. CALLE VISTA DE COLORES 128-10-1560	4026 E. WHITMAN STREET 126-07-149C	
	Proximity to Subject		0.04 miles	0.26 miles	1.24 miles	
	Sales Price	\$ N/A	\$ 218,000	\$ 199,000	\$ 207,000	
	Price/Gross Living Area	\$ 156.27	\$ 135.19	\$ 105.40		
	Date and/or Verification Source	INSPECTION	MLS/ASSESSOR/AGENT	MLS/ASSESSOR/AGENT	MLS/ASSESSOR/AGENT	
	VALUE ADJUSTMENTS	DESCRIPTION	+(-)\$ Adjust.	DESCRIPTION	+(-)\$ Adjust.	
	Sales or Financing Concessions	CASH	FHA	FHA	FHA	
	Date of Sale/Time	01/2010	-4,380	02/2010	-1,990	
	Location	WILLIAM CT/GTD	WILLIAM CT/GTD	PRESIDIO/GTD	COL ESTS	
	Leasehold/Fee Simple	FEE SIMPLE	FEE SIMPLE	FEE SIMPLE	FEE SIMPLE	
	Site	0.22AC/AVG	0.11AC/INF	0.08AC/INF	0.16AC/AVG	
	View	MOUNTAINS	MOUNTAINS	MOUNTAINS	MOUNTAINS	
	Design and Appeal	CONTEMP	CONTEMP	2 STORY	CONTEMP	
	Quality of Construction	FRMSTUCC/TL RF	FRMSTUCC/TL RF	FRMSTUCCO	FRMSTUCC/TL RF	
	Age	1998/12 YRS	1998/12 YRS	1997/13 YRS	1988/22 YRS	
	Condition	AVERAGE	AVERAGE	AVERAGE	AVERAGE	
	Above Grade Room Count	Total Bdrms: Baths 6 4 2	Total Bdrms: Baths 6 3 2	Total Bdrms: Baths 4 2 2.5	Total Bdrms: Baths 5 3 2	
	Gross Living Area	1,854 Sq. Ft.	1,395 Sq. Ft.	1,472 Sq. Ft.	1,964 Sq. Ft.	
	Basement & Finished Rooms Below Grade	N/A	NONE	NONE	NONE	
	Functional Utility	TYPICAL	TYPICAL	TYPICAL	TYPICAL	
	Heating/Cooling	FWA/REF	FWA/REF	FWA/REF	FWA/REF	
	Energy Efficient Items	TYPICAL	TYPICAL	TYPICAL	TYPICAL	
	Garage/Carport	2CGAR	NONE	2CGAR	2CGAR	
	Porch, Patio, Deck, Fireplace(s), etc.	COV/COV ONE/OS FP	COV/COV	COV/COV ONE	COV/COV ONE	
	Fence, Pool, etc.	WL/LSCP,STG	WL/LSCP,STG	WL/LSCP,STG	WL/LSCP,STG	
	FEATURES	APPL-MISC.	SIMILAR	SIMILAR	SIMILAR	
	Net Adj. (total)		\$ 17,640	\$ 23,010	\$ 15,000	
	Adjusted Sales Price of Comparable		\$ 235,640	\$ 222,010	\$ 222,000	
	Comments on Sales Comparison (including the subject property's compatibility to the neighborhood, etc.): NO FINANCING ADJUSTMENTS ARE WARRANTED AND NO ADVERSE FACTORS INFLUENCING MARKET VALUE ARE NOTED. THE COMPARABLE SALES USED ARE THE MOST PROXIMATE AND SIMILAR SALES AVAILABLE, AND HAVE SIMILAR INFLUENCES AND MARKET APPEAL. THE COMPARABLES SQUARE FOOTAGE HAS BEEN ADJUSTED TO THE NEAREST \$500 AS THIS REFLECTS THE ACTIONS OF BUYERS AND SELLERS IN THE REAL ESTATE MARKET.					
ITEM	SUBJECT	COMPARABLE NO. 1	COMPARABLE NO. 2	COMPARABLE NO. 3		
Date, Price and Data Source, for prior sales within year of appraisal	NO SALE NOTED IN LAST 36 MONTH ASSESSOR'S/MLS/TITLE	NO SALES NOTED WITHIN LAST 12 MONTHS ASSESSOR'S/MLS/TITLE	NO SALES NOTED WITHIN LAST 12 MONTHS ASSESSOR'S/MLS/TITLE	NO SALES NOTED WITHIN LAST 12 MONTHS ASSESSOR'S/MLS/TITLE		
Analysis of any current agreement of sale, option, or listing of subject property and analysis of any prior sales of subject and comparables within one year of the date of appraisal: NO SALES, LISTING OR TRANSFERS WERE LOCATED WITHIN LAST 36 MONTHS PER TUCSON MLS.						
INDICATED VALUE BY SALES COMPARISON APPROACH \$ 222,000						
INDICATED VALUE BY INCOME APPROACH (if Applicable) Estimated Market Rent \$ N/A /Mo. x Gross Rent Multiplier N/A = \$ N/A						
This appraisal is made <input checked="" type="checkbox"/> "as is" <input type="checkbox"/> subject to the repairs, alterations, inspections or conditions listed below <input type="checkbox"/> subject to completion per plans & specifications.						
Conditions of Appraisal: THIS REPORT IS NOT A HOME INSPECTION.						
Final Reconciliation: THE MARKET APPROACH IS GIVEN PRIMARY WEIGHT SUPPORTED BY THE COST APPROACH. THE INCOME APPROACH HAS NOT BEEN INCLUDED IN THIS REPORT. THE INTENDED USE OF THIS APPRAISAL IS TO ESTIMATE CURRENT MARKET VALUE OF HOME FOR MR. BURTON AND IS NOT INTENDED FOR ANY OTHER PURPOSE OR USER.						
The purpose of this appraisal is to estimate the market value of the real property that is the subject of this report, based on the above conditions and the certification, contingent and limiting conditions, and market value definition that are stated in the attached Freddie Mac Form 439/FNMA form 1004B (Revised 06/93).						
I (WE) ESTIMATE THE MARKET VALUE, AS DEFINED, OF THE REAL PROPERTY THAT IS THE SUBJECT OF THIS REPORT, AS OF JUNE 14, 2010 (WHICH IS THE DATE OF INSPECTION AND THE EFFECTIVE DATE OF THIS REPORT) TO BE \$ 222,000						
APPRaiser: Signature <i>Washington M. Mason Jr.</i> SUPERVISORY APPRAISER (ONLY IF REQUIRED): Signature <input type="checkbox"/> Did <input type="checkbox"/> Did Not Inspect Property						
Name WASHINGTON M. MASON, JR. Date Report Signed JUNE 16, 2010 State AZ State Certification # 21675 State AZ State Certification # State						
Or State License # State Or State License # State						

UNIFORM RESIDENTIAL APPRAISAL REPORT

MARKET DATA ANALYSIS

These recent sales of properties are most similar and proximate to subject and have been considered in the market analysis. The description includes a dollar adjustment, reflecting market reaction to those items of significant variation between the subject and comparable properties. If a significant item in the comparable property is superior to, or more favorable than, the subject property, a minus (-) adjustment is made, thus reducing the indicated value of the subject. If a significant item in the comparable is inferior to, or less favorable than, the subject property, a plus (+) adjustment is made, thus increasing the indicated value of the subject.

ITEM	SUBJECT	COMPARABLE NO. 4		COMPARABLE NO. 5		COMPARABLE NO. 6	
5164 E CIRCULO LAS CABANAS TUCSON		5151 E. CIRCULO LAS CABANAS 128-10-3450		641 S. TAMPICO 128-07-0030		5113 E. CIRCLLO LAS CABANAS 128-10-3370	
Proximity to Subject		0.03 miles		1.31 miles		0.03 miles	
Sales Price		\$ N/A		\$ 260,000		\$ 229,000	
Price/Gross Living Area		\$ 164.35		\$ 121.81		\$ 167.58	
Data and/or Verification Sources		MLS/ASSESSOR/AGENT MLS#21005247/DOM 14 DAYS		MLS/ASSESSOR/AGENT MLS#21009963/DOM 80 DAYS		MLS/ASSESSOR/AGENT MLS#21022737/DOM 09 DAYS	
VALUE ADJUSTMENTS		DESCRIPTION		DESCRIPTION		DESCRIPTION	
Sales or Financing Concessions		CONV NONE		CONV NONE		ACTIVE LISTING NONE	
Date of Sale/Time		03/2010		04/2010		N/A	
Location		WILLIAM CT/GTD		SAN FERNANDO +5,000		WILLIAM CT/GTD	
Leasehold/Fee Simple		FEE SIMPLE		FEE SIMPLE		FEE SIMPLE	
Site		0.22AC/AVG		0.19AC/AVG		0.12AC/AVG	
View		MOUNTAINS		MOUNTAINS		MOUNTAINS	
Design and Appeal		CONTEMP		CONTEMP		CONTEMP	
Quality of Construction		FRMSTUCC/TL RF		SLUMP BLK/TL RF		FRMSTUCC/TL RF	
Age		1998/12 YRS		2003/7 YRS		1998/12 YRS	
Condition		AVERAGE		AVERAGE		AVERAGE	
Above Grade		Total Bdrms: Baths		Total Bdrms: Baths		Total Bdrms: Baths	
Room Count		6 4 2		6 3 2		5 3 2	
Gross Living Area		1,854 Sq. Ft.		1,880 Sq. Ft. +8,000		1,610 Sq. Ft. +7,500	
Basement & Finished Rooms Below Grade		N/A		NONE		NONE	
Functional Utility		TYPICAL		TYPICAL		TYPICAL	
Heating/Cooling		FWA/REF		FWA/REF		FWA/REF	
Energy Efficient Items		TYPICAL		TYPICAL		TYPICAL	
Garage/Carport		2CGAR		2CGAR		2CGAR	
Porch, Patio, Deck, Fireplace(s), etc.		COV/COV ONE/OS FP		COV/COV ONE +1,500		COV/COV NONE +3,000	
Fence, Pool, etc.		WL,LSCP,STG		WL,LSCP,STG		WL,LSCP,STG	
FEATURES		APPL-MISC.		SIMILAR		SUP.UPGRDS	
Net Adj. (total)		-		+		-	
Adjusted Sales Price of Comparable		Net = 0.2% Gross = 7.5% \$ 259,500		Net = 3.5% Gross = 3.5% \$ 237,000		Net = 11.8% Gross = 19.6% \$ 237,924	
Date, Price and Data Source for prior sales within year of appraisal		NO SALE NOTED IN LAST 36 MNTH ASSESSOR/TITLE		NO SALES NOTED WITHIN LAST 12 MONTHS ASSESSOR'S/MLS/WINDATA		NO SALES NOTED WITHIN LAST 12 MONTHS ASSESSOR'S/MLS/WINDATA	
Comments: COMPARABLE SIX IS AN ACTIVE LISTING USED TOP FURTHER SUPPORT THE MARKET APPROACH.							

SALES COMPARISON ANALYSIS

COMMENTS

Supplemental Addendum

Page #7

File No. 10MY042

Borrower/Client	CLIENT: CARLOS L BURTON		
Property Address	5164 E CIRCULO LAS CABANAS		
City	TUCSON	County	PIMA
		State	AZ
		Zip Code	85711
Lender	CLIENT: CARLOS L BURTON		

• URAR : Additional Comments**TEXT ADDENDUM:**

THE NEIGHBORHOOD'S LOCATION IS BUILT UP GREATER THAN 25% WITH MARKETING TIMES BETWEEN 1 TO 3 MONTHS.

THE VALUE OF THE SUBJECT PROPERTY IS NOT ABOVE THE PREDOMINANT VALUE FOR THE NEIGHBORHOOD.

ENVIRONMENTAL DISCLAIMER: THE VALUE ESTIMATED IS BASED ON THE ASSUMPTION THAT THE PROPERTY IS NOT NEGATIVELY AFFECTED BY THE EXISTENCE OF HAZARDOUS SUBSTANCES OR OTHER DETRIMENTAL ENVIRONMENTAL CONDITIONS UNLESS STATED IN THIS REPORT. THE APPRAISER IS NOT AN EXPERT OR QUALIFIED IN THE IDENTIFICATION OF HAZARDOUS SUBSTANCES OR ADVERSE ENVIRONMENTAL CONDITIONS.

THERE ARE NO KNOWN ASSESSMENTS TO THE SUBJECT PROPERTY AT THE TIME OF INSPECTION. THE ISSUE OF ASSESSMENTS IS CONSIDERED TO BE A TITLE ISSUE AND THE RESPONSIBILITY OF THE CLIENT. THE APPRAISED VALUE OF THE SUBJECT IS IN FEE SIMPLE WITH NO ASSESSMENTS CONSIDERED AND CLEAR MARKETABLE TITLE UNLESS OTHERWISE STATED.

THE SUBJECT HAS A LEGAL ZONING THAT CONFORMS TO PIMA COUNTY PLANNING AND ZONING REQUIREMENTS.

THE LAND VALUE IS LESS THAN 30% OF THE APPRAISED VALUE.

COMMENTS ON MARKET DATA:

PROXIMITY OF COMPARABLES TO SUBJECT PROPERTY: ALL SALES ARE WITHIN THE SUBJECT'S MARKET AREA. THIS IS THE SAME TYPE OF SEARCH THE TYPICAL HOME BUYER WOULD EMPLOY IN SEARCHING FOR A SIMILAR PROPERTY. DUE TO FEW SALES SIMILAR TO SUBJECT APPRAISER FOUND IT NECESSARY TO EXCEED TYPICAL ONE MILE RADIUS GUIDELINE. THIS DOES NOT ADVERSELY AFFECT MARKETABILITY OF SUBJECT. IT IS NOTED THAT THERE WERE ONLY TWO SALES AND ONE ACTIVE LISTING IN THE SUBJECT SUBDIVISION WITHIN LAST SIX MONTHS AND ALL WERE USED IN THIS REPORT

COMPARABLE SALES USED HAVE SOLD WITHIN THE PAST SIX MONTHS. NO. COMPARABLE FIVE IS AN ACTIVE LISTING THAT WAS USED TO FURTHER SUPPORT THE MARKET APPROACH.

THERE ARE NO INDIVIDUAL ADJUSTMENTS 10% OF THE SALES PRICE; NET ADJUSTMENTS DO NOT EXCEED 15% OF THE SALES PRICE, AND GROSS ADJUSTMENTS ARE NOT GREATER THAN 25% OF THE SALES PRICE.

COMMENT ON ADJUSTMENTS:

DUE TO COMPARABLE SIX BEING AN ACTIVE LISTING AN DOWNWARD ADJUSTMENT WAS GIVEN.
DUE TO COMPARABLES ONE AND TWO BEING AN OVER 90 DAYS OLD SALES AN DOWNWARD ADJUSTMENT WAS GIVEN.
DUE TO NOT BEING LOCATED IN A GATED NEIGHBORHOOD AN UPWARD ADJUSTMENTS WASN GIVEN TO COMPARABLES THREE AND FIVE.
DUE TO NOT POSSESSING A TILE ROOF AN UPWARD ADJUSTMENT WAS GIVEN TO COMNPARABLE TWO.
DUE TO DIFFERENCES IN YEAR BUILT AN UPWARD ADJUSTMENT WAS GIVEN TO COMPARABLE THREE.
DUE TO DIFFERENCES IN LOT SIZE ADJUSTMENTS WERE GIVEN TO COMPARABLES ONE AND TWO.
DUE TO NOT POSSESSING SIMILAR BEDROOMS AND BATHROOMS AN UPWARD ADJUSTMENT WAS GIVEN TO COMPARABLE TWO.
DUE TO DIFFERENCES IN GROSS LIVING AREA ADJUSTMENTS WERE GIVEN TO COMNPARABLES ONE,TWO,THREE,FOUR AND SIX.
DUE TO DIFFERENCES IN FIREPLACES ADJUSTMENTS WERE GIVEN TO ALL COMPARABLES.
DUE TO COMPARABLE SIX POSSESSING SUPERIOR UPGRADES (GRANITE COUNTER TOPS, UPGRADED FLOORING AND CABINETS) A DOWNWARD ADJUSTMENT WAS GIVEN.

A REVIEW OF ACTIVE LISTINGS IN THE AREA INDICATES THE SUBJECT'S VALUE ESTIMATE IS REASONABLE AND SUPPORTED.

THE APPRAISER HAS DIGITALLY AFFIXED HIS SIGNATURE USING A PASSWORD ENCRYPTED METHOD. THIS SIGNATURE CARRIES THE SAME VALIDITY AS AN INDIVIDUAL'S HANDWRITTEN SIGNATURE.

• URAR : Improvements - Condition of the Property

THE SUBJECT IS IN OVERALL AVERAGE CONDITION WITH NO EXTERNAL OR FUNCTIONAL OBSOLESCENCE NOTED. THERE ARE NO REPAIR ITEMS NOTED THAT WOULD ADVERSELY AFFECT THE MARKETABILITY OF THE SUBJECT PROPERTY. IT IS NOTED THAT THE ASSESSOR'S DRAWING OF THE SUBJECT SHOWS A LAU. ROOM. AFTER INSPECTING THIS ROOM AND TALKING TO THE OWNER THIS ROOM HAS A VENT FOR HEATING AND COOLING SO THIS AREA WAS ADDED TO SUBJECT GROSS LIVING AREA.

NEIGHBORHOOD COMMENT:

THE GREATER TUCSON AREA EXPERIENCED UNPRECEDENTED GROWTH FROM 2002 TO 2006 WITH THE HEIGHT OF THE MARKET AT THE END OF 2005.

RECENT TIGHTENING OF STANDARDS IN THE SECONDARY MARKET COULD LEAD TO DOWN TENDING IN THE MARKET PRICES IF FEWER BUYERS ARE ABLE TO QUALIFY FOR MARKET INTEREST RATE LOANS. IT IS NOT CLEAR IF THE CHANGES IN THE LENDERS UNDERWRITING STANDARDS ARE LONG TERM OR SHORT TERM. FORECASTING FUTURE ECONOMIC CONDITIONS IS NOT WITHIN THE SCOPE OF THIS APPRAISAL ASSIGNMENT. HOWEVER , BUILDERS CONTINUE TO CONTRACT NEW HOMES AND OWNER/SELLERS APPEAR TO BE RESISTANT TO MORE SIGNIFICANT PRICE REDUCTIONS INDICATING A BALANCED SUPPLY AND DEMAND.

MULTI-PURPOSE SUPPLEMENTAL ADDENDUM FOR FEDERALLY RELATED TRANSACTIONS

Amazon Appraisals Inc.

Borrower/Client <u>CLIENT: CARLOS L BURTON</u>			
Property Address <u>5164 E CIRCULO LAS CABANAS</u>			
City <u>TUCSON</u>	County <u>PIMA</u>	State <u>AZ</u>	Zip Code <u>85711</u>
Lender <u>CLIENT: CARLOS L BURTON</u>			

This Multi-Purpose Supplemental Addendum for Federally Related Transactions was designed to provide the appraiser with a convenient way to comply with the current appraisal standards and requirements of the Federal Deposit Insurance Corporation (FDIC), the Office of the Comptroller of Currency (OCC), The Office of Thrift Supervision (OTS), the Resolution Trust Corporation (RTC), and the Federal Reserve.

This Multi-Purpose Supplemental Addendum is for use with any appraisal. Only those statements which have been checked by the appraiser apply to the property being appraised.

☒ **PURPOSE & FUNCTION OF APPRAISAL**

The purpose of the appraisal is to estimate the market value of the subject property as defined herein. The function of the appraisal is to assist the above-named Lender in evaluating the subject property for lending purposes. This is a Federally related transaction.

☒ **EXTENT OF APPRAISAL PROCESS**

☒ The appraisal is based on the information gathered by the appraiser from public records, other identified sources, inspection of the subject property and neighborhood, and selection of comparable sales within the subject market area. The original source of the comparables is shown in the Data Source section of the market grid along with the source of confirmation, if available. The original source is presented first. The sources and data are considered reliable. When conflicting information was provided, the source deemed most reliable has been used. Data believed to be unreliable was not included in the report nor used as a basis for the value conclusion.

☒ The Reproduction Cost is based on MARSHALL AND SWIFT RESIDENTIAL COST HANDBOOK supplemented by the appraiser's knowledge of the local market.

☒ Physical depreciation is based on the estimated effective age of the subject property. Functional and/or external depreciation, if present, is specifically addressed in the appraisal report or other addenda. In estimating the site value, the appraiser has relied on personal knowledge of the local market. This knowledge is based on prior and/or current analysis of site sales and/or abstraction of site values from sales of improved properties.

☒ The subject property is located in an area of primarily owner-occupied single family residences and the Income Approach is not considered to be meaningful. For this reason, the Income Approach was not used.

☐ The Estimated Market Rent and Gross Rent Multiplier utilized in the Income Approach are based on the appraiser's knowledge of the subject market area. The rental knowledge is based on prior and/or current rental rate surveys of residential properties. The Gross Rent Multiplier is based on prior and/or current analysis of prices and market rates for residential properties.

☐ For income producing properties, actual rents, vacancies and expenses have been reported and analyzed. They have been used to project future rents, vacancies and expenses.

☒ **SUBJECT PROPERTY OFFERING INFORMATION**

According to MLS, ASSESSOR AND OWNER the subject property:

☒ has not been offered for sale in the past 30 days.

☐ is currently offered for sale for \$ _____.

☐ was offered for sale within the past 30 days for \$ _____.

☐ Offering information was considered in the final reconciliation of value.

☐ Offering information was not considered in the final reconciliation of value.

☐ Offering information was not available. The reasons for unavailability and the steps taken by the appraiser are explained later in this addendum.

☒ **SALES HISTORY OF SUBJECT PROPERTY**

According to PIMA COUNTY ASSESSOR the subject property:

☒ has not transferred in the past twelve months.

☐ has transferred in the past twelve months.

☒ has not transferred in the past thirty-six months.

☐ has transferred in the past thirty-six months.

☐ All prior sales which have occurred in the past twelve months are listed below and reconciled to the appraised value, either in the body of the report or in the addenda.

Date	Sales Price	Document #	Seller	Buyer

☒ **FEMA FLOOD HAZARD DATA**

☒ Subject property is not located in a FEMA Special Flood Hazard Area.

☐ Subject property is located in a FEMA Special Flood Hazard Area.

Zone	FEMA Map/Panel #	Map Date	Name of Community
X	04019C2234K	02/08/1999	PIMA COUNTY, ARIZONA

☐ The community does not participate in the National Flood Insurance Program.

☒ The community does participate in the National Flood Insurance Program.

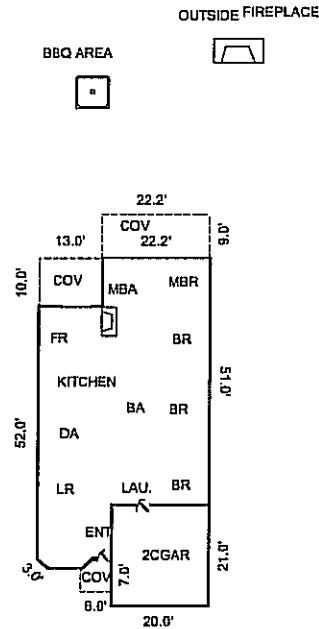
☒ It is covered by a regular program.

☐ It is covered by an emergency program.

<input checked="" type="checkbox"/> CURRENT SALES CONTRACT									
<input checked="" type="checkbox"/> The subject property is currently not under contract. <input type="checkbox"/> The contract and/or escrow instructions were not available for review. The unavailability of the contract is explained later in the addenda section. <input type="checkbox"/> The contract and/or escrow instructions were reviewed. The following summarizes the contract:									
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 25%;">Contract Date</th> <th style="width: 25%;">Amendment Date</th> <th style="width: 25%;">Contract Price</th> <th style="width: 25%;">Seller</th> </tr> <tr> <td style="height: 20px;"></td> <td></td> <td></td> <td></td> </tr> </table>		Contract Date	Amendment Date	Contract Price	Seller				
Contract Date	Amendment Date	Contract Price	Seller						
<input type="checkbox"/> The contract indicated that personal property was not included in the sale. <input type="checkbox"/> The contract indicated that personal property was included. It consisted of _____ Estimated contributory value is \$ _____. <input checked="" type="checkbox"/> Personal property was not included in the final value estimate. <input type="checkbox"/> Personal property was included in the final value estimate. <input type="checkbox"/> The contract indicated no financing concessions or other incentives. <input type="checkbox"/> The contract indicated the following concessions or incentives: _____ <input type="checkbox"/> If concessions or incentives exist, the comparables were checked for similar concessions and appropriate adjustments were made, if applicable, so that the final value conclusion is in compliance with the Market Value defined herein.									
<input checked="" type="checkbox"/> MARKET OVERVIEW Include an explanation of current market conditions and trends.									
1-3 _____ months is considered a reasonable marketing period for the subject property based on <u>CURRENT MLS DATA</u> .									
<input checked="" type="checkbox"/> ADDITIONAL CERTIFICATION									
The Appraiser certifies and agrees that: (1) The analyses, opinions and conclusions were developed, and this report was prepared, in conformity with the Uniform Standards of Professional Appraisal Practice ("USPAP"), except that the Departure Provision of the USPAP does not apply. (2) Their compensation is not contingent upon the reporting of predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event. (3) This appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.									
<input checked="" type="checkbox"/> ADDITIONAL (ENVIRONMENTAL) LIMITING CONDITIONS									
The value estimated is based on the assumption that the property is not negatively affected by the existence of hazardous substances or detrimental environmental conditions unless otherwise stated in this report. The appraiser is not an expert in the identification of hazardous substances or detrimental environmental conditions. The appraiser's routine inspection of and inquiries about the subject property did not develop any information that indicated any apparent significant hazardous substances or detrimental environmental conditions which would affect the property negatively unless otherwise stated in this report. It is possible that tests and inspections made by a qualified hazardous substance and environmental expert would reveal the existence of hazardous substances or detrimental environmental conditions on or around the property that would negatively affect its value.									
<input checked="" type="checkbox"/> ADDITIONAL COMMENTS									
TITLE WILL CLEAR ANY ISSUES AT CLOSE OF ESCROW.									
<input checked="" type="checkbox"/> APPRAISER'S SIGNATURE & LICENSE/CERTIFICATION									
Appraiser's Signature <u>Washington M. Mason, Jr.</u> Effective Date <u>JUNE 14, 2010</u> Date Prepared <u>JUNE 16, 2010</u> Appraiser's Name (print) <u>WASHINGTON M. MASON, JR</u> Phone # <u>(520) 529-3878</u> State <u>AZ</u> <input type="checkbox"/> License <input checked="" type="checkbox"/> Certification # <u>21875</u> Tax ID # <u>86-1024850</u>									
<input type="checkbox"/> CO-SIGNING APPRAISER'S CERTIFICATION									
<input type="checkbox"/> The co-signing appraiser has personally inspected the subject property, both inside and out, and has made an exterior inspection of all comparable sales listed in the report. The report was prepared by the appraiser under direct supervision of the co-signing appraiser. The co-signing appraiser accepts responsibility for the contents of the report including the value conclusions and the limiting conditions, and confirms that the certifications apply fully to the co-signing appraiser. <input type="checkbox"/> The co-signing appraiser has not personally inspected the interior of the subject property and: <input type="checkbox"/> has not inspected the exterior of the subject property and all comparable sales listed in the report. <input type="checkbox"/> has inspected the exterior of the subject property and all comparable sales listed in the report. <input type="checkbox"/> The report was prepared by the appraiser under direct supervision of the co-signing appraiser. The co-signing appraiser accepts responsibility for the contents of the report, including the value conclusions and the limiting conditions, and confirms that the certifications apply fully to the co-signing appraiser with the exception of the certification regarding physical inspections. The above describes the level of inspection performed by the co-signing appraiser. <input type="checkbox"/> The co-signing appraiser's level of inspection, involvement in the appraisal process and certification are covered elsewhere in the addenda section of this appraisal.									
<input type="checkbox"/> CO-SIGNING APPRAISER'S SIGNATURE & LICENSE/CERTIFICATION									
Co-Signing Appraiser's Signature _____ Effective Date _____ Date Prepared _____ Co-Signing Appraiser's Name (print) _____ Phone # () _____ State _____ <input type="checkbox"/> License <input type="checkbox"/> Certification # _____ Tax ID # _____									

Building Sketch (Page - 1)

Borrower/Client CLIENT: CARLOS L BURTON			
Property Address 5164 E CIRCULO LAS CABANAS			
City TUCSON	County PIMA	State AZ	Zip Code 85711
Lender CLIENT: CARLOS L BURTON			



Sketch by Ames IV™

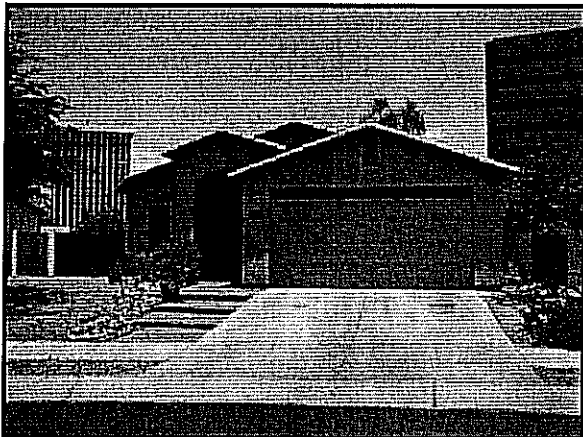
Comments:

AREA CALCULATIONS SUMMARY			
Code	Description	Size	Net Totals
GLA1	First Floor	1853.94	1853.94
P/P	COVERED PORCH	199.80	
	COVERED PORCH	130.00	
	COVERED ENTRY	38.21	368.01
GAR	2 CAR GARAGE	420.00	420.00
TOTAL LIVABLE (rounded)			1854

LIVING AREA BREAKDOWN			
Breakdown			Subtotals
First Floor			
0.5 x	0.0 x	0.0	1.09
	2.2 x	62.0	139.04
	13.0 x	52.0	676.00
	2.1 x	7.3	15.49
0.5 x	2.1 x	2.1	2.25
0.5 x	2.1 x	2.1	2.25
	20.0 x	51.0	1017.83
7 Calculations Total (rounded)			1854

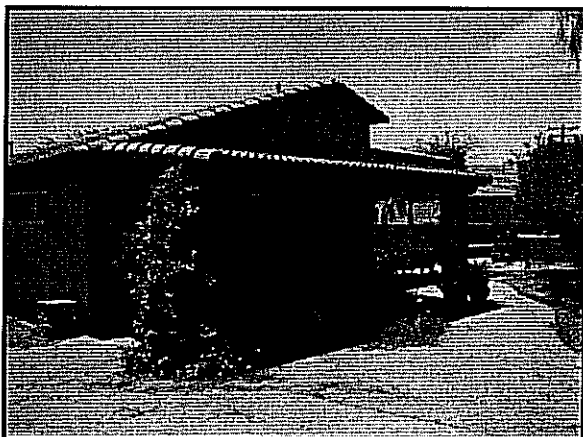
SUBJECT PHOTO PAGE

Borrower/Client CLIENT: CARLOS L BURTON			
Property Address 5164 E CIRCULO LAS CABANAS			
City TUCSON	County PIMA	State AZ	Zip Code 85711
Lender CLIENT: CARLOS L BURTON			

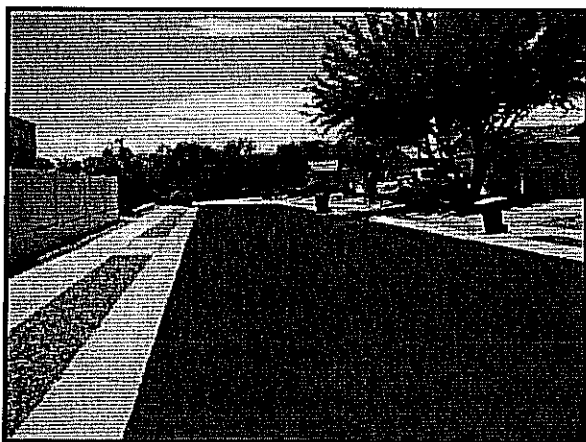


Front View

5164 E CIRCULO LAS
 Sales Price N/A
 Gross Living Area 1,854
 Total Rooms 6
 Total Bedrooms 4
 Total Bathrooms 2
 Location WILLIAM CT/GTD
 View MOUNTAINS
 Site 0.22AC/AVG
 Quality FRMSTUCC/TL RF
 Age 1998/12 YRS



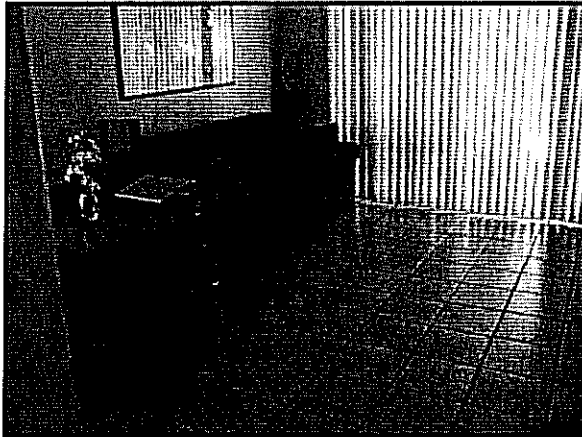
Rear View



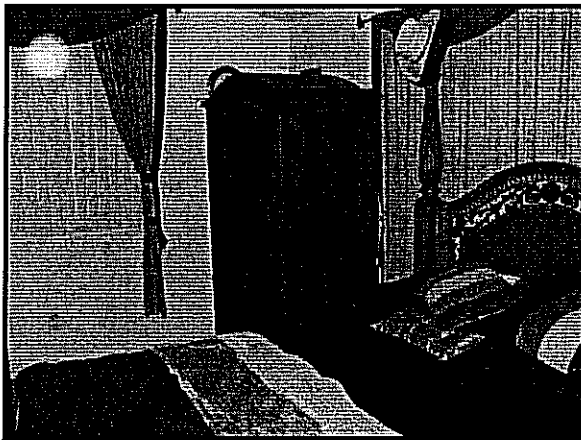
Street Scene

PHOTOGRAPH ADDENDUM

Borrower/Client	CLIENT: CARLOS L BURTON				
Property Address	5184 E CIRCULO LAS CABANAS				
City	TUCSON	County	PIMA	State	AZ
Zip Code	85711				
Lender	CLIENT: CARLOS L BURTON				



LIVING ROOM



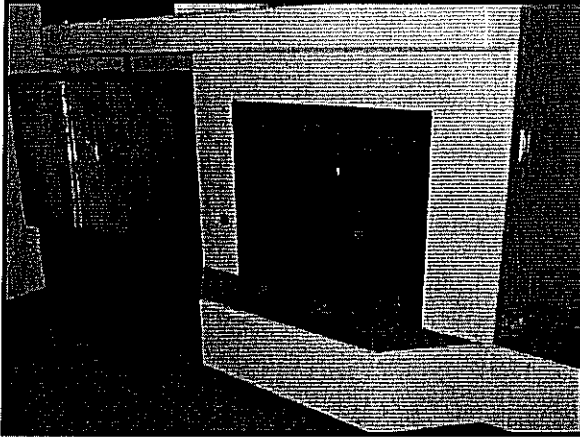
MASTER BEDROOM



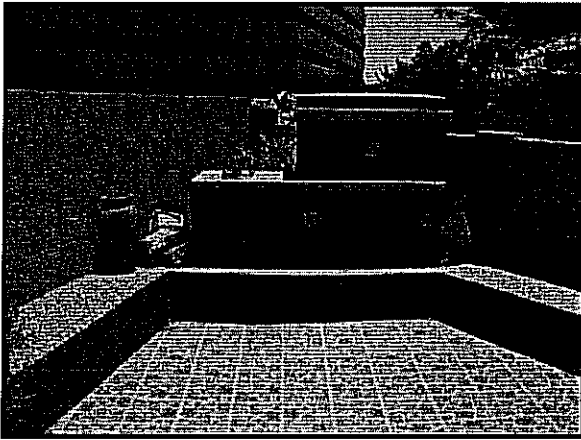
BATHROOM

PHOTOGRAPH ADDENDUM

Borrower/Client	CLIENT: CARLOS L BURTON				
Property Address	5164 E CIRCULO LAS CABANAS				
City	TUCSON	County	PIMA	State	AZ
				Zip Code	85711
Lender	CLIENT: CARLOS L BURTON				



FIREPLACE



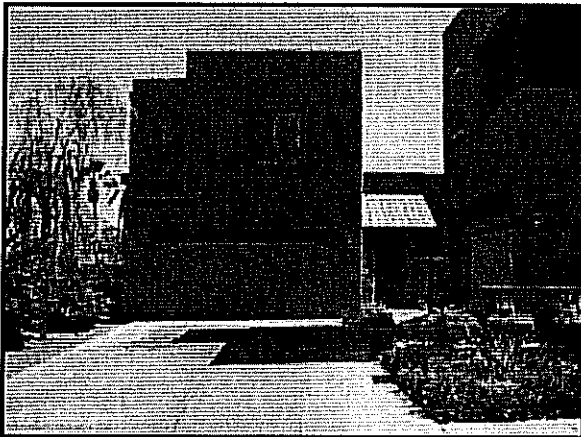
OUT SIDE FIREPLACE

COMPARABLE PHOTOS PAGE

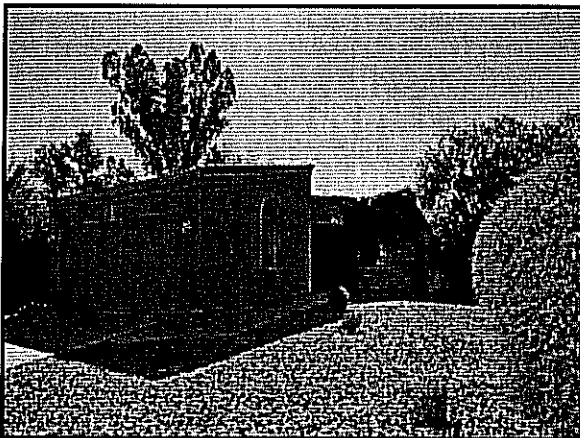
Borrower/Client CLIENT: CARLOS L BURTON			
Property Address 5164 E CIRCULO LAS CABANAS			
City TUCSON	County PIMA	State AZ	Zip Code 85711
Lender CLIENT: CARLOS L BURTON			

**Comparable 1**

5146 E. CIRCULO LAS CABANAS
 Prox. to Subject 0.04 miles
 Sale Price 218,000
 Gross Living Area 1,395
 Total Rooms 6
 Total Bedrooms 3
 Total Bathrooms 2
 Location WILLIAM CT/GTD
 View MOUNTAINS
 Site 0.11AC/INF
 Quality FRMSTUCC/TL RF
 Age 1998/12 YRS

**Comparable 2**

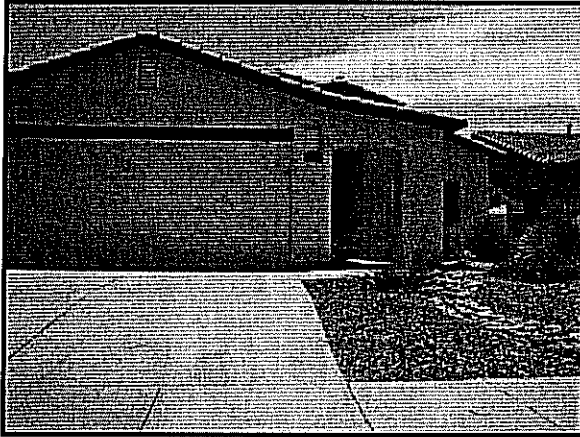
5212 E. CALLE VISTA DE
 Prox. to Subject 0.26 miles
 Sale Price 199,000
 Gross Living Area 1,472
 Total Rooms 4
 Total Bedrooms 2
 Total Bathrooms 2.5
 Location PRESIDIO/GTD
 View MOUNTAINS
 Site 0.08AC/INF
 Quality FRMSTUCCO
 Age 1997/13 YRS

**Comparable 3**

4026 E. WHITMAN STREET
 Prox. to Subject 1.24 miles
 Sale Price 207,000
 Gross Living Area 1,964
 Total Rooms 5
 Total Bedrooms 3
 Total Bathrooms 2
 Location COLESTS
 View MOUNTAINS
 Site 0.16AC/AVG
 Quality FRMSTUCC/TL RF
 Age 1988/22 YRS

Comparable Photo Page

Borrower/Client CLIENT: CARLOS L BURTON			
Property Address 5164 E CIRCULO LAS CABANAS			
City TUCSON	County PIMA	State AZ	Zip Code 85711
Lender CLIENT: CARLOS L BURTON			



Comparable 4

5151 E. CIRCULO LAS CABANAS
 Prox. to Subject 0.03 miles
 Sale Price 260,000
 Gross Living Area 1,582
 Total Rooms 6
 Total Bedrooms 4
 Total Bathrooms 2
 Location WILLIAM CT/GTD
 View MOUNTAINS
 Site 0.13AC/AVG
 Quality FRMSTUCC/TL RF
 Age 1998/12 YRS



Comparable 5

641 S. TAMPICO
 Prox. to Subject 1.31 miles
 Sale Price 229,000
 Gross Living Area 1,880
 Total Rooms 6
 Total Bedrooms 3
 Total Bathrooms 2
 Location SAN FERNANDO
 View MOUNTAINS
 Site 0.19AC/AVG
 Quality SLUMP BLK/TL RF
 Age 2003/7 YRS

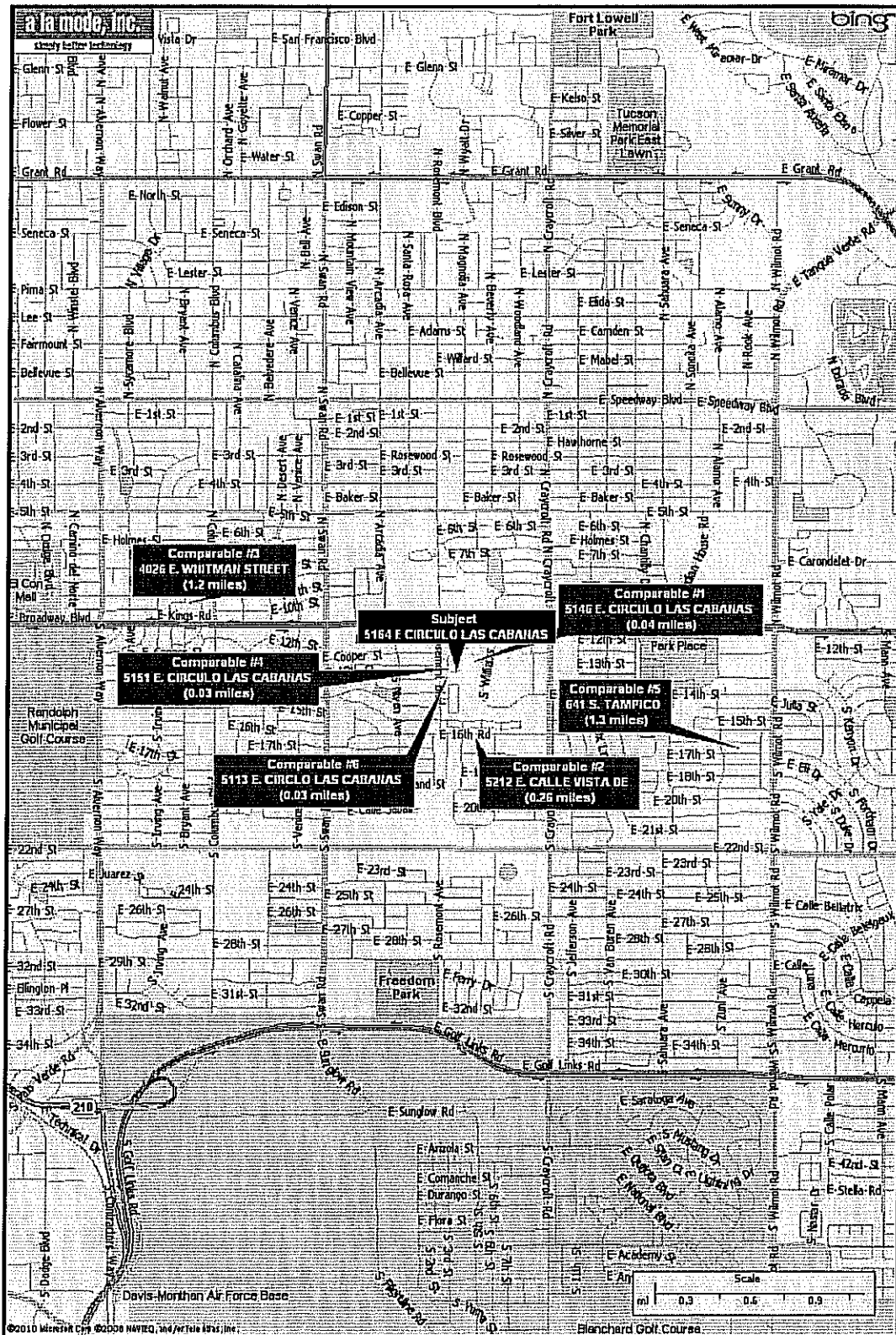


Comparable 6

5113 E. CIRCULO LAS CABANAS
 Prox. to Subject 0.03 miles
 Sale Price 269,800
 Gross Living Area 1,610
 Total Rooms 5
 Total Bedrooms 3
 Total Bathrooms 2
 Location WILLIAM CT/GTD
 View MOUNTAINS
 Site 0.12AC/AVG
 Quality FRMSTUCC/TL RF
 Age 1998/12 YRS

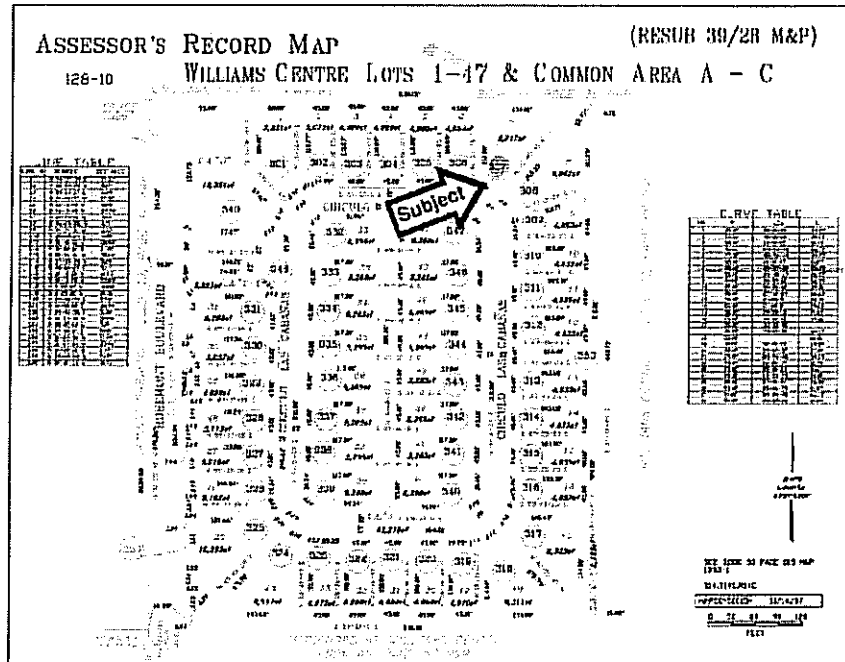
Location Map

Borrower/Client	CLIENT: CARLOS L BURTON		
Property Address	5164 E CIRCULO LAS CABANAS		
City	TUCSON	County	PIMA
State	AZ		Zip Code
Lender	CLIENT: CARLOS L BURTON		



Plat Map

Borrower/Client CLIENT: CARLOS L BURTON				
Property Address 5164 E CIRCULO LAS CABANAS				
City TUCSON	County PIMA	State AZ	Zip Code 85711	
Lender CLIENT: CARLOS L BURTON				



DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he considers his own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

* Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgement.

STATEMENT OF LIMITING CONDITIONS AND APPRAISER'S CERTIFICATION

CONTINGENT AND LIMITING CONDITIONS: The appraiser's certification that appears in the appraisal report is subject to the following conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and, therefore, will not render any opinions about the title. The property is appraised on the basis of it being under responsible ownership.
2. The appraiser has provided a sketch in the appraisal report to show approximate dimensions of the improvements and the sketch is included only to assist the reader of the report in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in the appraisal report whether the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand.
5. The appraiser has estimated the value of the land in the cost approach at its highest and best use and the improvements at their contributory value. These separate valuations of the land and improvements must not be used in conjunction with any other appraisal and are invalid if they are so used.
6. The appraiser has noted in the appraisal report any adverse conditions (such as, needed repairs, depreciation, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the normal research involved in performing the appraisal. Unless otherwise stated in the appraisal report, the appraiser has no knowledge of any hidden or unapparent conditions of the property or adverse environmental conditions (including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied, regarding the condition of the property. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, the appraisal report must not be considered as an environmental assessment of the property.
7. The appraiser obtained the information, estimates, and opinions that were expressed in the appraisal report from sources that he or she considers to be reliable and believes them to be true and correct. The appraiser does not assume responsibility for the accuracy of such items that were furnished by other parties.
8. The appraiser will not disclose the contents of the appraisal report except as provided for in the Uniform Standards of Professional Appraisal Practice.
9. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that completion of the improvements will be performed in a workmanlike manner.
10. The appraiser must provide his or her prior written consent before the lender/client specified in the appraisal report can distribute the appraisal report (including conclusions about the property value, the appraiser's identity and professional designations, and references to any professional appraisal organizations or the firm with which the appraiser is associated) to anyone other than the borrower, the mortgagee or its successors and assigns; the mortgage insurer; consultants; professional appraisal organizations; any state or federally approved financial institution; or any department, agency, or instrumentality of the United States or any state or the District of Columbia; except that the lender/client may distribute the property description section of the report only to data collection or reporting service(s) without having to obtain the appraiser's prior written consent. The appraiser's written consent and approval must also be obtained before the appraisal can be conveyed by anyone to the public through advertising, public relations, news, sales, or other media.

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have researched the subject market area and have selected a minimum of three recent sales of properties most similar and proximate to the subject property for consideration in the sales comparison analysis and have made a dollar adjustment when appropriate to reflect the market reaction to those items of significant variation. If a significant item in a comparable property is superior to, or more favorable than, the subject property, I have made a negative adjustment to reduce the adjusted sales price of the comparable and, if a significant item in a comparable property is inferior to, or less favorable than the subject property, I have made a positive adjustment to increase the adjusted sales price of the comparable.
2. I have taken into consideration the factors that have an impact on value in my development of the estimate of market value in the appraisal report. I have not knowingly withheld any significant information from the appraisal report and I believe, to the best of my knowledge, that all statements and information in the appraisal report are true and correct.
3. I stated in the appraisal report only my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the contingent and limiting conditions specified in this form.
4. I have no present or prospective interest in the property that is the subject to this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or the estimate of market value in the appraisal report on the race, color, religion, sex, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property.
5. I have no present or contemplated future interest in the subject property, and neither my current or future employment nor my compensation for performing this appraisal is contingent on the appraised value of the property.
6. I was not required to report a predetermined value or direction in value that favors the cause of the client or any related party, the amount of the value estimate, the attainment of a specific result, or the occurrence of a subsequent event in order to receive my compensation and/or employment for performing the appraisal. I did not base the appraisal report on a requested minimum valuation, a specific valuation, or the need to approve a specific mortgage loan.
7. I performed this appraisal in conformity with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place as of the effective date of this appraisal, with the exception of the departure provision of those Standards, which does not apply. I acknowledge that an estimate of a reasonable time for exposure in the open market is a condition in the definition of market value and the estimate I developed is consistent with the marketing time noted in the neighborhood section of this report, unless I have otherwise stated in the reconciliation section.
8. I have personally inspected the interior and exterior areas of the subject property and the exterior of all properties listed as comparables in the appraisal report. I further certify that I have noted any apparent or known adverse conditions in the subject improvements, on the subject site, or on any site within the immediate vicinity of the subject property of which I am aware and have made adjustments for these adverse conditions in my analysis of the property value to the extent that I had market evidence to support them. I have also commented about the effect of the adverse conditions on the marketability of the subject property.
9. I personally prepared all conclusions and opinions about the real estate that were set forth in the appraisal report. If I relied on significant professional assistance from any individual or individuals in the performance of the appraisal or the preparation of the appraisal report, I have named such individual(s) and disclosed the specific tasks performed by them in the reconciliation section of this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in the report; therefore, if an unauthorized change is made to the appraisal report, I will take no responsibility for it.

SUPERVISORY APPRAISER'S CERTIFICATION: If a supervisory appraiser signed the appraisal report, he or she certifies and agrees that: I directly supervise the appraiser who prepared the appraisal report, have reviewed the appraisal report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's certifications numbered 4 through 7 above, and am taking full responsibility for the appraisal and the appraisal report.

ADDRESS OF PROPERTY APPRAISED: 5164 E CIRCULO LAS CABANAS, TUCSON, AZ 85711

APPRAISER:

Signature: Washington M. Mason Jr.
 Name: WASHINGTON M. MASON, JR
 Date Signed: JUNE 16, 2010
 State Certification #: 21875
 or State License #: _____
 State: AZ
 Expiration Date of Certification or License: 02/28/2012

SUPERVISORY APPRAISER (only if required):

Signature: _____
 Name: _____
 Date Signed: _____
 State Certification #: _____
 or State License #: _____
 State: _____
 Expiration Date of Certification or License: _____

☐ Did ☐ Did Not Inspect Property

Flood Map

Borrower/Client	CLIENT: CARLOS L BURTON		
Property Address	5164 E CIRCULO LAS CABANAS		
City	TUCSON	County	PIMA
State	AZ	Zip Code	85711
Lender	CLIENT: CARLOS L BURTON		

